



To: HPTE Board of Directors  
Date: March 18, 2015  
From: Piper Frode, Enterprises Budget Analyst  
Subject: Review of the HPTE Budget Allocations in the Final CDOT FY2016 Annual Budget

---

Purpose:

This memorandum presents an overview of the CDOT FY2016 Annual Budget process and outlines FY2016 revenue sources and budget allocations that have been identified for the High Performance Transportation Enterprises (HPTE).

Action:

The purpose of this memo is informational only and no action this month is required. Based on the budget allocations determined by the Office of Financial Management and Budget (OFMB) in coordination with HPTE, staff will return in April with detailed budgets for Fund 536 and 537 for Board approval.

Background:

Prior to adopting the final transportation budget each spring, the Transportation Commission (TC) reviews and adopts the CDOT and the Enterprises' draft budgets each fall. In November 2014, the TC was presented with the FY2016 Draft Annual Budget for review and adoption by the Commission prior to its submission to the Office of State Planning and Budget (OSPB) and the Joint Budget Committee (JBC). This month the TC is being asked to review final changes and to adopt the final FY2016 Annual Budget prior to submission to the Governor for approval on or before April 15, 2015.

In an effort to better align the budget development cycle of HPTE with that of CDOT, this month staff is bringing the Board specific HPTE budget information that is being presented as part of the final CDOT FY2016 Annual Budget this month.

Details:

The HPTE FY2016 Budget Allocations are as based on an estimated \$2.75 Million of projected HPTE revenue for FY2016. The \$2.75 Million revenue estimate is comprised of the following revenue sources:

- \$2,000,000 in Fees for Consulting Services
- \$375,000 in Annual Concessionaire Management Fees
- \$200,000 in Interest Earnings

Based on these estimates, revenue has been allocated to the following CDOT budget categories (as illustrated in Attachment A):

- \$575,000 to project specific work in the Expand-Increase Capacity budget category
- \$1,249,148 to program administration in the Deliver- Program Delivery/Administration budget category
- \$750,852 to debt service in the Transportation Commission Contingency/Debt Service budget category

The debt service allocation is based on the 10-year repayment plan as outlined in the 10 Year Pro-Forma Cash Flow Model which was presented to the Board in January as part of the HPTE 10 Year Plan and Benefit to CDOT. The projected 10-year repayment plan will ensure that the total outstanding loan balance (including interest) currently estimated at \$6.95 Million, will be repaid.

As it relates to the HPTE, the \$575,000 allocated for project specific work in the CDOT budget will be used to develop the budget for Fund 536 and the other \$1,249,148 allocated for program administration and the \$750,852 allocated for debt service (for a total of \$2.0 Million) will be used to develop the budget for Fund 537.

Key Benefits

N/A

Options and Recommendations

N/A

Next Steps

- Upon adoption by the Transportation Commission, the FY2016 Annual Budget, including the budget allocations for HPTE, will be forwarded to the Governor for approval on or before April 15, 2015
- In April, staff will be working with Director of HPTE to allocate estimated FY2016 revenue to specific line items for fund 536 and 537 budgets

Attachments:

Attachment A: High Performance Transportation Enterprise Final 2016 Annual Budget

Attachment A: High Performance Transportation Enterprise Final 2016 Annual Budget

High Performance Transportation Enterprise Final 2016 Annual Budget						
Budget Category	Program Area	Directed By	FY16 Allocations	FY16 Budget	Funding Source	
1 Maintain - Maintaining What We Have						
2	CDOT Performed Work					
3	Contracted Out Work					
4		Total	-	-		
5 Maximize - Safety Making the Most of What We Have						
6	CDOT Performed Work					
7	Contracted Out Work					
8		Total	-	-		
9 Expand - Increasing Capacity						
10	CDOT Performed Work					
11		High Performance Transportation Enterprise--Maintenance				
12		HPTEB	-	-		
13	Contracted Out Work					
14		High Performance Transportation Enterprise--Projects	675,000	494,078	Tolls	
15		Expand-Related Indirect /I	-	66,045		
16		Expand-Related CDOT Construction Engineering /I	-	34,677	Tolls	
17		Total	575,000	575,000		
18			575,000	575,000		
19 Deliver - Program Delivery/Administration						
20		High Performance Transportation Enterprise--Administration and Legal Fees	1,249,148	1,249,148		
21		Total:	1,249,148	1,249,148		
22 Pass-Through Funds/Multi-modal Grants						
23	Highway					
24		Total:	-	-		
25 Transportation Commission						
26	Contingency / Debt Service					
27	Debt Service					
28		Total:	750,852	750,852		
29		Total:	750,852	750,852		
		Total:	2,575,000	2,575,000		
		Revenue	2,575,000	2,575,000		

/I Budget excludes RAMP projects. CE and indirects are calculated based on total programs as shown.

Key to acronyms:  
 HPTEB=High Performance Transportation Enterprise Board  
 Shaded Areas=Flexible  
 Non-Shaded Areas=Inflexible

Total Consolidated Allocations **1,505,390,655**  
 Total Consolidated Revenue **1,505,390,655**